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**Higher Education Committee**

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**HB 1403**

**Brief Description:** Changing exceptional faculty award grants.

**Sponsors:** Representatives Kenney, Cox, Grant, Fromhold, Jarrett, Conway, McIntire, Benson, Berkey and Upthegrove; by request of State Board for Community and Technical Colleges.

**Brief Summary of Bill**

- Reduces the required college match for the community and technical college exceptional faculty awards program from \$25,000 to \$10,000.
- Removes a \$100,000 biennial limit on state match from statute and permits the State Board for Community and Technical Colleges to set a limit.

**Hearing Date:** 2/4/03

**Staff:** Barbara McLain (786-7383).

**Background:**

**Endowment Fund:** In 1990 the Legislature established the exceptional faculty awards program for community and technical colleges. The program is administered by the State Board for Community and Technical Colleges. When colleges and their foundations raise sufficient funds, they may apply to the state for matching funds. The combined funds form an exceptional faculty endowment that is managed by the college and its foundation. Only the interest earned on the endowment may be spent on awards. Awards can go to support faculty development and in-service training, special projects and research, or salary bonuses to recipients.

**State Match History:** The Legislature originally appropriated \$1.35 million for the program. By 1995, the state matching funds had been virtually exhausted. Since 1998, 3.3 percent of the Education Savings Account has been directed to the program. The Education Savings Account receives unspent state general fund appropriations from each fiscal year. An additional \$3 million has been awarded in state match since 1998.

**Program Guidelines:** To receive a state match, a college and its foundation must raise at

least \$25,000. A college can receive no more than \$100,000 in a single biennium. Matching grants are made in \$25,000 increments.

**Summary of Bill:**

The program guidelines for the community and technical college exceptional faculty awards program are changed. To receive a state match for its endowment, a college and its foundation must raise at least \$10,000 rather than \$25,000. The biennial limit of \$100,000 in matching funds for a single college is removed from statute. Instead, the State Board for Community and Technical Colleges will establish a limit.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect ninety days after adjournment of session in which bill is passed.